

Eureka Closes Second and Final Tranche of Private Placement



/NOT FOR DISSEMINATION TO THE US/

VANCOUVER, Oct. 26, 2016 /CNW/ - Eureka Resources Inc. ("Eureka" or the "Company") (TSXV: EUK) announced today that it has closed the second and final tranche of its non-brokered \$350,000 private placement of 3,500,000 units (the "Units") at \$0.10 per Unit (the "Offering"). Each Unit consists of one common share (a "Share") and one half of one common share purchase warrant (each whole warrant a "Warrant"). Each Warrant will entitle the holder to purchase one common share at \$0.15 for a period expiring 24 months following the closing date of the Offering.

Eureka placed 2,175,000 Units in the second tranche of the Offering for gross proceeds of \$217,500, bringing the total raised in the Offering to \$350,000. Of the combined tranches, a total of 1,753,000 units were purchased by insiders of the Corporation

In connection with closing the second tranche of the Offering, the Company paid finder's fees of 6% cash totaling \$6,432 and issued 64,320 finder's warrants (each a "Finder's Warrant") representing 6% of the Units placed by the finders. Each Finder's Warrant will entitle the holder thereof to purchase a Unit in Eureka at \$0.10 per Unit, exercisable for 24 months following issuance.

All share purchase warrants issued under the Offering, including those issued as finder's fees, will be subject to an acceleration clause which will cause the warrants, if unexercised, to expire on the date which is 30 days after the date that the volume weighted average trading price of the Company's common shares on the TSX Venture Exchange exceeds \$0.35 per share over a period of 10 consecutive trading days.

All securities issued in the Offering will be subject to a four-month hold period, during which time the securities may not be traded. For securities issued in the second tranche of the Offering, the hold period will expire on February 27, 2017. The securities described herein have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States unless registered under the Act or unless an exemption from registration is available. The Offering is subject to regulatory approval.

Proceeds from the Offering will be used for exploration on the Company's Gemini property located in the western Lida Valley, Nevada, USA. Gemini is located in Esmeralda County in south central Nevada, approximately 40 kilometres (26 miles) from North America's only producing lithium mine at Silver Peak, and for working capital. The exploration program has a budget estimated at approximately US\$400,000, Eureka's share being 50% or US\$200,000.

Neither the TSX Venture Exchange nor its regulation services provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this news release.

Cautionary Statement Regarding Forward-Looking Information

This news release includes certain "forward-looking statements" under applicable Canadian securities legislation that are not historical facts. Forward-looking statements involve risks, uncertainties, and other factors that could cause actual results, performance, prospects, and opportunities to differ materially from those expressed or implied by such forward-looking statements. Forward-looking statements in this news release include, but are not limited to, statements with respect to the Company's proposed financing, objectives, and the business and operations of the Company. Forward-looking statements are necessarily based on a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties and other factors which may cause actual results and future events to differ materially from those expressed or implied by such forward-looking statements. Such factors include, but are not limited to: general business, economic and social uncertainties; litigation, legislative, environmental and other judicial, regulatory, political and competitive developments; delay or failure to receive board, shareholder or regulatory approvals; those additional risks set out in the Company's public documents filed on SEDAR at www.sedar.com; and other matters discussed in this news release. Although the Company believes that the assumptions and factors used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed time frames or at all. Except where required by law, the Company disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

SOURCE Eureka Resources, Inc.

Image with caption: "Eureka Resources, Inc. (CNW Group/Eureka Resources, Inc.)". Image available at:
http://photos.newswire.ca/images/download/20161026_C4969_PHOTO_EN_805132.jpg

%SEDAR: 00005837E

For further information: on Eureka can be found on the Company's website at www.eurekaresourcesinc.com and at www.sedar.com, or by contacting Michael Sweatman, President and CEO, or Bob Ferguson by email at info@eurekaresourcesinc.com or by telephone at (604) 449-2273.

CO: Eureka Resources, Inc.

CNW 18:09e 26-OCT-16